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Supreme Court of the United States

October Term, 1944

No. 1097 54

AUTOMATIC PAPER MACHINERY COMPANY, INC.,
Petitioner,

vs.

MARCALUS MANUFACTURING COMPANY, INC. and NICHOLAS MARCALUS,
Respondents.

BRIEF FOR RESPONDENTS IN OPPOSITION TO THE PETITION FOR WRIT OF CERTIORARI TO THE CIRCUIT COURT OF APPEALS FOR THE THIRD CIRCUIT.

SAMUEL E. DARBY, JR.,
Counsel for Respondents.

DONALD J. OVEROCKER,
Of Counsel.

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The petition in this case presents no ground warranting its grant.

This is a patent infringement suit. The patent involved (Marcalus 1,843,429) has received no other adjudication, consequently there is no diversity of opinion with respect thereto.

The facts of the case are succinctly stated by the Court of Appeals in its opinion (R. 32-34). In substance, the only material facts are that Marcalus, the patentee, years after the assignment of the patent to petitioner, and after having severed his relations with petitioner which he had jointly organized and of which he had been an officer, organized the respondent company to engage in the manufacture of an unpatented article of commerce and its sale in competition with petitioner. The economical production of that article of commerce required the use of a machine, one particular

type of which formed the subject matter of the patent, Marcalus went to the prior patented art and discovered Inman Patent No. 1,035,851 which *expired* on August 27, 1929—*four months prior to the application for the patent in suit.* Marcalus thereupon constructed a machine which was in fact and was found by the Court of Appeals to be a "Chinese copy" of the Inman machine (R. 34, 40). There were many structural as well as operational differences between the Inman machine and that of the Marcalus patent (see footnote 9 to the decision of the Court of Appeals, R. 40). Petitioner filed this suit alleging infringement of the Marcalus patent because of respondents' use of the old Inman machine.

I.

In *Westinghouse* v. *Formica,* 226 U. S. 342, this Court enunciated the rule that the assignor of a patent, while estopped to attack validity when sued for infringement thereof, may utilize the prior art to limit the scope of the claims in support of the defense of non-infringement.

Invoking this rule, respondents denied infringement of the Marcalus patent on the ground they were using the machine of the Inman patent which had *expired* before the Marcalus patent had been applied for, and therefore, *without questioning validity,* respondents asserted that the prior Inman patent of necessity so limited the claims of the Marcalus patent that infringement thereof, under such circumstances, was impossible. The Court of Appeals below correctly so held.

II.

The petition rests its application on the assertion that there has been diversity of opinion in construing this Court's decision in *Westinghouse* v. *Formica, supra,* citing an

alleged conflict between the decision of the Court of Appeals in the present case and the decision of the Sixth Circuit Court of Appeals in *Buckingham* v. *McAleer*, 108 F. (2d) 192. There is no such conflict as the petition implies. In the Sixth Circuit case the Court pointed out (at p. 195) that the "principal" argument advanced by the defendant there was that the patent was invalid because of the "fraud" of the patent owner in applying for and accepting a patent for an invention which the patent owner knew had been in public use by it for more than two years prior to the application for the patent—an outright attack on the *validity* of the patent by the assignor thereof. No such situation or attack on validity is involved in the present case. Moreover, on the face of the opinion in the Sixth Circuit case (at p. 193) that Court called attention to and differentiated from its "recent" decision in *Baldwin Rubber Co.* v. *Payne and Williams Co.*, 107 F. (2d) 350, where, on facts substantially the same as are here involved, the same Court applied and followed the rule of *Westinghouse* v. *Formica, supra,* in exactly the same way as has the Third Circuit Court of Appeals in the present case. It is believed to be obvious, therefore, that there is no diversity of opinion by Circuit Courts of Appeals on the question here presented.

III.

Finally, the fallacy of the theory upon which the petition is based is believed to be made entirely clear by the statement of "The Question Presented" (p. 6), as well as by the statement of "Reasons For Granting The Writ" (p. 7). While accepting, as it must, the *Westinghouse* v. *Formica* doctrine that the assignor of a patent, when sued thereon, may utilize the prior art to narrow the scope of the claims in support of the defense of non-infringement, apparently it is the position of petitioner that the closer the prior art

approximates the invention of the patent the less effective becomes the prior art in narrowing the scope of the patent. In other words, apparently petitioner is obsessed with the illogical and unrealistic idea that the *less* a patentee contributes to the sum of human knowledge the better position the patent owner is in to *broadly* sustain and enforce the patent.

Truly, any such proposition is far afield from what respondents understand to be required to be presented to this Court to warrant the grant of a writ of certiorari.

IV.

The petition should be denied.

Respectfully submitted,

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Counsel for Respondents.

DONALD J. OVEROCKER,
Of Counsel.